

Amendments to the Claims:

This listing of claims will replace all prior versions, and listings, of claims in the application:

Listing of Claims:

1. (Currently Amended) A system for creating and maintaining financial assets which accentuate different types of sub-loan level risk associated with a plurality of home mortgage loans and which are configured to operate as hedges against risks that oppose the different types of sub-loan level risk, comprising:

a processor configured to execute computer-executable instructions tangibly embodied on computer readable media, the computer-executable instructions being executable by ~~a computer~~ the processor to implement

a decomposition tool configured to decompose each of the plurality of home mortgage loans into a plurality of sub-loan level cash flows;

a repackaging tool configured to repackage the plurality of sub-loan level cash flows to form the financial assets, including:

selecting a sub-combination of the plurality of sub-loan level cash flows, the sub-combination of sub-loan level cash flows comprising ~~like ones of the plurality of~~ the plurality of sub-loan level cash flows from across the plurality of home mortgage loans, and the sub-combination of sub-loan level cash flows exhibiting heightened sensitivity to at least one of the different types of sub-loan level risk relative to the sensitivity exhibited by the plurality of home mortgage loans as a whole,

packaging the sub-combination of sub-loan level cash flows to create one of the financial assets, the financial asset that is created accentuating the at least one of the different types of sub-loan level risk in accordance with the heightened sensitivity exhibited by the sub-combination of sub-loan level cash flows, thereby configuring the financial asset to operate as a hedge against a risk that opposes the at least one of the different types of sub-loan level risk, and

repeating the selecting and packaging steps to create additional financial assets, the additional financial assets including different financial assets which accentuate other ones of the different types of sub-loan level risk; and an accounting tool configured to make a determination of accounting rules that apply to the financial assets, the accounting tool further configured to track accounting data for the financial assets based at least in part on the accounting rules; and a data storage system configured to store accounting data for the financial assets.

2. (Previously Presented) A system according to claim 1, wherein the plurality of sub-loan level cash flows include a first plurality of sub-loan level cash flows derived from principal payments of a borrower, a second plurality of sub-loan level cash flows derived from interest payments of a borrower, and a third plurality of sub-loan level cash flows derived from borrower-paid fees.
3. (Previously Presented) A system according to claim 2, wherein the plurality of sub-loan level cash flows include a sub-loan cash flow that is a negative cash flow from a perspective of one or more owners of the plurality of financial assets, the negative subloan cash flow being associated with expenses incurred in connection with the respective loan and arising from borrower default.
4. (Previously Presented) A system according to claim 2, wherein the second plurality of sub-loan level cash flows derived from interest payments include a cash flow associated with servicing fees, a cash flow associated with guarantee fees, and a cash flow associated with pass through interest.
5. (Previously Presented) A system according to claim 1, wherein the data storage system is further configured to store information pertaining to a mapping relationship between the plurality of financial assets and the plurality of sub-loan level cash flows, the mapping relationship describing a manner in which cash flows flowing into each of the plurality of financial assets are traceable back to the plurality of sub-loan level cash flows.

6. (Previously Presented) A system according to claim 5, wherein the repackaging tool is further configured to display the information pertaining to the mapping relationship to a human operator.
7. (Currently Amended) A system according to claim 5, wherein the computer-executable instructions are further executable by ~~a computer~~ the processor to implement accounting logic configured to apply accounting rules to the plurality of financial assets.
8. (Currently Amended) A system according to claim 1, wherein the computer-executable instructions are further executable by ~~a computer~~ the processor to implement a financial engineering tool configured to display an impact of accounting on the financial performance of the plurality of financial assets.
9. (Currently Amended) A system according to claim 1, wherein the computer-executable instructions are further executable by ~~a computer~~ the processor to implement a financial engineering tool configured to analyze financial risk associated with the plurality of sub-loan level cash flows and display a graphical representation of the financial risk to a human operator.
10. (Previously Presented) A system according to claim 1, wherein at least one of the plurality of financial assets is a financial instrument backed by borrower paid fees and not by principal or interest, and wherein an owner of the financial instrument is paid with funds derived from proceeds of borrower paid fees.

11-19. (Canceled)

20. (Currently Amended) A system for creating and maintaining financial assets which accentuate different types of sub-loan level risk associated with a plurality of home mortgage loans, the plurality of home mortgage loans each having a loan asset and a servicing asset, comprising:

a processor configured to execute computer-executable instructions tangibly embodied on computer readable media, the computer-executable instructions being executable by ~~a computer~~ the processor to implement

servicer reporting logic configured to account for a compensation provided to a servicer, the servicer reporting logic further configured to relate the compensation to the value of the home mortgage loan, wherein compensation provided to the servicer does not decrease through time during a term of the loan; and

a repackaging tool configured to repackage the plurality of sub-loan level cash flows to form the financial assets, including:

selecting a sub-combination of the plurality of sub-loan level cash flows, the sub-combination of sub-loan level cash flows comprising compensation provided to the servicer from across the plurality of home mortgage loans, and the sub-combination of sub-loan level cash flows exhibiting heightened sensitivity to at least one of the different types of sub-loan level risk relative to the sensitivity exhibited by the plurality of home mortgage loans as a whole,

packaging the sub-combination of sub-loan level cash flows to create a financial asset, and

repeating the selecting and packaging steps to create additional financial assets, the additional financial assets including different financial assets which accentuate other types of sub-loan level risk.

21. (Previously Presented) A system according to claim 20, wherein the loan comprises a loan asset and a servicing asset, the loan asset comprising a right to receive loan payments from a borrower in connection with the loan, the loan payments comprising a principal payment portion and an interest payment portion, the servicing asset comprising a right to receive a servicing fee portion of the interest payment portion in exchange for performing servicing of the loan, wherein the servicing fee portion of each loan payment decreases as an unpaid principal balance of the loan decreases.

22. (Previously Presented) A system according to claim 21, wherein compensation provided to the servicer is substantially fixed during the term of the loan.

23. (Previously Presented) A system according to claim 21, wherein compensation provided to the servicer increases during the term of the loan.

24. (Previously Presented) A system according to claim 21, wherein relating the compensation to the home mortgage loan includes valuing the compensation based on the value of the home mortgage loan.

25. (Previously Presented) A system according to claim 1, wherein the financial assets are sold to different investors in the capital markets, thereby permitting the different investors to hedge against the risks that oppose the different types of sub-loan level risk.